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FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;
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3) Chief Cabinet Secretary Hirano says cabinet resolution on Futenma relocation site to be passed before end of May

ASAHI (Page 4) (Full) January 28, 2010

At a news conference on Jan. 27, Chief Cabinet Secretary Hirofumi Hirano indicated that a cabinet resolution will be passed on the relocation site of the U.S. forces' Futenma Air Station (in Ginowan City, Okinawa) before the end of May. He said: "While it will be significant if the Prime Minister identifies a relocation site, officially, a cabinet resolution represents the government's decision."

Hirano also indicated that the approval of the local government hosting the relocation site and of the U.S. side will be sought by the end of May.

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4) Ozawa tells Nago mayor-elect that he understands the people's will

NIKKEI (Page 2) (Full) January 28, 2010

Democratic Party of Japan (DPJ) Secretary General Ichiro Ozawa met yesterday Nago Mayor-elect Susumu Inamine at a hotel in Nago City. Inamine, who has opposed the plan to relocate the U.S. Marine Corps' Futenma Air Station (in Ginowan City, Okinawa) to the coast area of U.S. Camp Schwab in the Henoko district, his city, demand that the existing plan be scrapped. Ozawa responded, saying: "I understand the will of Nago residents and the will of Okinawa residents. I will deal with the matter as DPJ secretary general."

5) DPJ Lower House member Seishu Makino investigating Tokunoshima as possible Futenma relocation site

TOKYO SHIMBUN (Page 2) (Full) January 28, 2010

Democratic Party of Japan (DPJ) House of Representatives member Seishu Makino, who is close to Prime Minister Yukio Hatoyama, disclosed on Jan. 27 that he is investigating Tokunoshima in the Amami islands in Kagoshima Prefecture as a possible relocation site for the U.S. forces' Futenma Air Station.

Makino has been visiting Tokunoshima since last November and have met with the mayors of the towns of Tokunoshima, Amagi, and Isen several times to sound them out about accepting Futenma's relocation. He reported to the Prime Minister about these activities in November.

However, Isen Mayor Akira Okubo contacted him by phone on behalf of all three mayors on Jan. 27 to inform him that, "The answer is 'no' this time."

6) FM Okada to visit South Korea in February

YOMIURI (Page 2) (Full) January 28, 2010

Foreign Minister Katsuya Okada has begun coordination to visit South Korea on Feb. 10-11 to hold talks with South Korean Foreign Affairs and Trade Minister Yu Myung-hwan, multiple sources connected with the government said yesterday. This will be Okada's first trip to South Korea since assuming office last September. He is expected to exchange views with his South Korean counterpart on such matters as North Korea's return to the Six-Party Talks and the resumption of talks on a Japan-ROK free trade agreement (FTA).

7) Okada: There is no armed conflict in Haiti

ASAHI (Page 4) (Full) January 28, 2010 The government is planning to send Self-Defense Force (SDF) personnel to Haiti to join the UN peacekeeping operations (PKO). Foreign Minister Katsuya Okada said in a meeting of the House of Councillors Budget Committee yesterday that the SDF dispatch to Haiti meets the conditions for Japan's participation in PKO set in the UN Peacekeeping Operations Cooperation Law of no armed conflict

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and acceptance by both parties to the conflict of Japan's participation. Although several armed groups have been conducting activities from before the earthquake, no armed conflicts have broken out. Given this, Okada indicated that it is not necessary to obtain a cease-fire agreement and acceptance by both parties to the conflict - requirements stipulated in the five principles of PKO participation.

8) U.S. service member in Okinawa indicted again over hit-and-run incident $% \left(1\right) =\left(1\right) +\left(1\right)$

TOKYO SHIMUN (Page 26) (Full) January 28, 2010

The Naha District Public Prosecutors Office yesterday indicted Clyde Gunn, 27, a staff sergeant based at the U.S. Army Torii Communications Station in the village of Yomitan, Okinawa Prefecture, on an additional charge of a violation of the Road Traffic Law (hit-and-run) in connection with a case in which a man died after being hit by a car in the village last November.

According to the indictment, Gunn hit Masakazu Hokama, 66, who was walking, while driving a car at around 5:50 a.m. on November 7, 2009, but Gunn neither tried to help Hokama nor reported the accident to the police.

The cause of Hokama's death was a cervical spine fracture and other injuries.

9) Defense Ministry to send PKO fact-finding team to Haiti

ASAHI (Page 4) (Full) January 28, 2010

The Defense Ministry yesterday dispatched a fact-finding team of three members, including Ground Self-Defense Force officials, to earthquake-devastated Haiti in preparation for dispatching Self-Defense Force personnel to join the UN peacekeeping operations (PKO) mission. The members are expected to arrive in Haiti early in the morning on Jan. 29, Japan time. They will investigate such details as what equipment needs to be sent for the engineering unit to conduct its activities and the conditions for setting up a camp for its members.

10) Ozawa: The U.S. went so far as to elect a black to change the country $% \left(1\right) =\left(1\right) \left(1\right) +\left(1\right) \left(1\right) \left(1\right) +\left(1\right) \left(1\right$

NIKKEI (Page 2) (Full) January 28, 2010

Democratic Party of Japan (DPJ) Secretary General Ichiro Ozawa gave a speech at a party hosted by DPJ House of Councillors members yesterday in Naha City. Referring in his speech to the change of government in the United States, he said, "In the United States as well, they chose to change the world and their country even by electing a black man, Mr. Obama."

11) Hatoyama administration plans to allow Upper House to deliberate on 12 bills ahead of Lower House $\,$

ASAHI (Page 4) (Full) February 28, 2010

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The Hatoyama administration decided yesterday that of the 61 bills

presented to the Diet in the current session, it will allow the House of Councillors to deliberate first on 12 bills, including regional autonomy reform promotion legislation and a bill amending the Worker Dispatch Law to ban dispatching temporary workers to the manufacturing industry in principle.

With the Upper House election scheduled to take place this summer, it will not be possible to extend the Diet session substantially. Allowing the Upper House to begin deliberating first on the bills in early February while the House of Representatives is discussing the fiscal 2010 budget in earnest is intended to make effective use of the current Diet session that will end on June 16.

12) Hatoyama hints at possible delay in submission of foreigner suffrage bill to Diet, reflecting PNP's opposition

ASAHI (Page 4) (Excerpt)

Prime Minister Yukio Hatoyama indicated yesterday that the government would give up on its plan to submit to the current Diet session a bill to give permanent foreign residents in Japan the right to vote in local elections. He said: "Since the government is composed of three political parties, an agreement among the ruling parties is necessary at the very least. Now that the People's New Party (PNP) is opposed to the bill, however, it will not be easy to build consensus." Hatoyama made this remark in response to questions by reporters at the Prime Minister's Official Residence.

13) Gist of deliberations at Upper House Budget Committee on January 27 on Futenma, arms exports, SDF Haiti mission

NIKKEI (Page 4) (Excerpts) January 28, 2010

Futenma base issue

New Komeito leader Natsuo Yamaguchi: Foreign Minister Katsuya Okada stated at a meeting with citizens of Nago City, Okinawa Prefecture on Dec. 5 that, "In the first place, whether to build a military base and the Japan-U.S. security alliance are issues at the national level."

Foreign Minister Katsuya Okada: It goes without saying that we need to make efforts to seek the understanding of the people of Okinawa. However, ultimately, the national government should take the responsibility, since this is an issue affecting national security. In the end, the government will make the decision.

Yamaguchi: The chief cabinet secretary's statement on the popular will as expressed in the Nago mayoral election is creating a stir.

Chief Cabinet Secretary Hirofumi Hirano: The most important thing in the Futenma base issue is to reduce the burden on the Okinawan people, and the question of safety or the removal of danger. The government and the ruling parties have set up an examination committee. While local leaders and legislators have been expressing their views, the committee will examine this issue from scratch. I have said that the result of the mayoral election is indeed a manifestation of popular will, and we will have to seek the understanding of the affected local governments and officials.

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Yamaguchi: It will not do if the relocation site of the Futenma base remains uncertain and a decision is put off. How do you propose to make a decision by May?

Hirano: The instruction from the Prime Minister is for us to decide on a relocation site, including consultations between Japan and the U.S., by May. Needless to say, this process will involve the Ministerial Committee on Basic Policies and a cabinet resolution, through which a government decision will be made.

Yamaguchi: Do you mean that you will arrive at a solution that Japan and the U.S. can agree to by the end of May?

Prime Minister Yukio Hatoyama: That's right.

Yamaguchi: If you fail to do so, this will affect the fate of the cabinet. Are you determined to stake the fate of the administration on achieving this?

Hatoyama: Please understand that we will definitely arrive at a conclusion by the end of May.

Three non-nuclear principles

Yamaquchi: The three non-nuclear principles should be upheld.

Hatoyama: We have upheld the three non-nuclear principles because Japan is the only atomic-bombed country. We will continue to make these principles, including the non-introduction of nuclear arms, universally known. We will continue to uphold the three non-nuclear principles.

Three principles on arms exports

Yamaguchi: Defense Minister Toshimi Kitazawa mentioned a review of the three principles on arms exports during an exchange of views with the executives of defense-related companies on Jan. 12.

Defense Minister Toshimi Kitazawa: These are important basic principles for the prevention of international conflicts. At the extraordinary Diet session last year, the government expressed its intent to continue to follow them. I had a meaningful discussion on how to maintain the production and technology base while adhering to these principles. I mentioned the review as a topic for discussion. The statement did not mean that we will no longer follow these principles or that we will revise them.

Yamaguchi: (Japan) needs to continue to adhere to these principles.

Hatoyama: Japan pledged in its constitution never to wage a war again. We have adhered to the three principles on arms exports so far because we believe that we need to be very strict about the export of weapons. We will continue to follow these principles because the export of arms needs to be handled with extreme caution.

Haiti earthquake

Yamaguchi: It is necessary to ensure the safety of the Self-Defense Forces (SDF) to be dispatched for peacekeeping operations (PKO) in Haiti.

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Okada: It is true that there are problems with the security situation in Haiti, but the government there is functioning properly. We do not think that any conflict has occurred.

Hatoyama: While there is social disturbance (in Haiti), there is no armed conflict. We need to take every possible measure to ensure safety. If the five principles (which are the conditions for dispatching the SDF) are no longer met, the SDF will return home. They will operate while closely watching the safety situation.

14) Prosecutors forgo re-questioning of Ozawa

NIKKEI (Page 1) (Excerpts) January 28, 2010

In connection with the political fund scandal involving Democratic Party of Japan (DPJ) Secretary General Ichiro Ozawa's fund management body, Rikuzankai, over a shady land purchase, the special investigation squad of the Tokyo District Public Prosecutors Office decided yesterday to forgo questioning Ozawa again, according to informed sources. Prosecutors have apparently judged that they have accomplished their objective of questioning him on a voluntary basis with the formulation of a written statement on the hearing conducted on Jan. 23, although there were several questionable points in his deposition. Prosecutors will apparently continue questioning those

involved and then make a final judgment on whether to file charges against Ozawa.

15) Japan's exports to China top those to U.S. in 2009

SANKEI (Page 11) (Excerpts) January 28, 2010

Japan's exports to China, excluding Hong Kong, came to 10.2301 trillion yen, topping those to the U.S. (8.7446 trillion yen) for the first time in the post-war period, the preliminary trade statistics (customs-cleared basis) for 2009 released on Jan. 27 by the Finance Ministry showed. China is now Japan's top import partner. The report underscored the brisk purchasing power of China, which is already on a V-shaped recovery track in contrast to the U.S., which is markedly slow to recover from the financial crisis.

Total exports in December 2009 reached 5.4128 trillion yen, up 12.1 percent from the same month a year earlier, moving into the plus column after a hiatus of 15 months since the Lehman shock in September 2008. Exports to China, which showed a 42.8 percent increase, served as the driving force for the upturn. The trend underscored the tendency of Japan's trade becoming increasingly dependent on China.

Trade surplus determined by deducting total imports from total exports stood at 545.3 billion yen in December, marking the eleventh surplus in a row.

16) JAL to ink deal with Delta

MAINICHI (Page 2) (Excerpts) January 28, 2010

Japan Airlines on Jan. 27 decided to tie up with Delta Air Lines, the world's largest carrier, and switch international airline groups

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from OneWorld to SkyTeam. American Airlines, a key member of OneWorld, had also proposed strengthening its ties with JAL. However, JAL has determined that a business alliance with Delta would produce greater benefits. Kazuo Inamori, who is set to become JAL's chairman, will announce the decision as early as Feb. 1.

JAL plans to apply for antitrust immunity status (ATI) under the antimonopoly law with the Japanese and U.S. government by the end of February. It will also look into establishing flight routes between Narita and Detroit and between Haneda and Amsterdam with an eye on strengthening its operation network.

17) Rare metal exchange-traded funds

NIKKEI (Page 1) (Excerpts) January 28, 2010

The Tokyo Stock Exchange plans to approve trading by exchange-traded funds that invest in rare metals, materials that are essential to the production of next-generation vehicles or electronic equipment. It has determined that there are needs among individual and institutional investors for investment in rare metals, whose prices are showing an upward trend, reflecting a global increase in demand. It will aim at listing the first such fund before year's end, after revising the listing regulation.

Rare metal exchange-traded funds are designed to produce the same effect as that investors achieve when actually investing in rare metals. Securities houses will collect investment money from investors and invest in rare metals owned by trading houses.

18) Poll: Cabinet support at 45 PERCENT , nonsupport at 47 PERCENT

NIKKEI (Page 1) (Abridged) January 28, 2010

The Nihon Keizai Shimbun and TV Tokyo jointly conducted a spot opinion poll on Jan. 26-27, in which the public approval rating for

Prime Minister Yukio Hatoyama's cabinet was 45 PERCENT, down 5 percentage points from the previous poll conducted last December. Meanwhile, the disapproval rating for the Hatoyama cabinet rose 5 points to 47 PERCENT. The Hatoyama cabinet's nonsupport rate topped its support rate for the first time since it came into office. In the spot poll, 65 PERCENT of respondents said ruling Democratic Party of Japan Secretary General Ichiro Ozawa, whose former secretaries have been arrested on the charge of violating the Political Funds Control Law, should resign from his party post, with only 22 PERCENT saying he should stay in his post.

The Hatoyama cabinet's inaugural rating in the survey conducted last September right after its debut was 75 PERCENT, marking the second highest level among cabinets. Four months later, however, the figure dropped 30 points. This seems to reflect the "politics-and-money problems" of DPJ leaders, such as Hatoyama's falsified reports on political funds and Ozawa's land purchase with political funds, and mirror the Hatoyama cabinet's flip-flopping over the issue of relocating the U.S. military's Futenma airfield facility in Okinawa Prefecture.

19) Poll: 67 PERCENT concerned about Japan-U.S. ties, up 12 points

NIKKEI (Page 1) (Full)

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January 28, 2010

In the latest joint poll conducted by the Nihon Keizai Shimbun and TV Tokyo, 67 PERCENT of respondents said they were concerned about the current state of Japan-U.S. relations, markedly up from 55 PERCENT in the last poll conducted last November. Meanwhile, 21 PERCENT said the bilateral relationship remains unchanged, with only 2 PERCENT saying the two countries are getting along well. The Hatoyama administration, since coming into office, has been flip-flopping over the issue of relocating the Futenma base in Okinawa Prefecture, and this is apparently reflected in the poll.

Among those concerned about Japan-U.S. relations, "somewhat" accounted for 47 PERCENT and "very" for 20 PERCENT. Among those who support the Hatoyama cabinet, 56 PERCENT were concerned about Japan-U.S. relations, with 32 PERCENT saying Japan-U.S. relations remain unchanged and only 4 PERCENT saying the two countries are getting along well.

In the breakdown of those concerned about Japan-U.S. relations, the proportion of those in their 20s to 30s was around 60 PERCENT , but the proportion of those in their 40s and that of those in their 60s were around 70 PERCENT and those in their 50s accounted for 78 PERCENT .

ROOS